Testimony of Robert J. Shuman, President & CEO Maryland Public Television

#### before the

## Subcommittee on Education, Business, and Administration of the Senate Budget and Taxation Committee, Senate of Maryland – 1/30/06

Thank you, Mr. Chairman and members of the committee.

You've just viewed some of Maryland Public Television's product -- the news, public affairs, cultural, and entertainment programs that a million local viewers watch each week – programming available <u>only</u> on MPT.

Of the 176 public television licensees in the United States, MPT ranks as the ninth largest. Thanks to your support in the General Assembly, MPT has become an industry leader and an everyday resource for families, schools, universities and businesses in Maryland.

From sunup to sundown, we provide family-friendly programming that parents welcome into their homes. MPT takes most seriously its role to provide a safe haven for our children through not only quality programming but outreach, including dozens of hospital and mall visits from the popular and Emmy award-winning **Bob the Vid Tech**. Parents and caregivers can trust MPT's renowned, non-violent, commercial-free programs every weekday morning.

Weekdays, viewers turn to **Afternoon Tea**, MPT's innovative program block featuring legendary series from the United Kingdom such as *As Times Goes By* and *Are You Being Served?* MPT has paired this afternoon programming with an electronic newsletter, **The Afternoon Tea Times**, which boasts over 5,000 subscribers and ever-growing support.

MPT's Public Square evening block—home to *Direct Connection, Outdoors Maryland, ArtWorks This Week, Business Connection* and *State Circle*—serves as a televised village green for Marylanders and showed an impressive audience gain in 2005. The number of households tuning in to Public Square programming rose 19 percent in the past year.

Public Square series often coalesce around specific Maryland community issues. In conjunction with MPT grantfunded outreach initiatives like **prisoner reentry** and **community health**, *Direction Connection* and *Business Connection* welcomed top state officials, health care providers, and executives working to improve the quality of life in Maryland.

ArtWorks This Week has become the television gathering place for information about arts and culture in Maryland. The program gained even more viewers though an agreement with Comcast to provide encore telecasts of the program on CN8. In 2005, hosts Rhea Feikin and Nate Howard welcomed Jeremy Irons, Richard Chamberlain, Dave Brubeck, Ravi Shankar, and dozens of other stage and screen stars to Artworks.

Public Square programs also provided a forum for MPT's first annual **Chesapeake Bay Week**. The **Outdoors Maryland** special "**Chesapeake Crossroads"** was a centerpiece of this local programming initiative. Venerated news icon Walter Cronkite responded to MPT's invitation to join in the effort with a special on-air appearance.

In 2006, Chesapeake Bay Week becomes a regional public television initiative. MPT is spearheading the effort to provide programming to other local stations in the watershed, from New York to Virginia. MPT has enlisted both National Geographic and local media partners in the effort.

Public Square programs continue to break new ground and gain new features. This year, *State Circle* added regular, in-depth interviews with the governor. Our coverage of the General Assembly Proceedings is now available on both MPT and through Comcast's on-demand service.

Our focus on quality local programming has garnered attention and critical praise. MPT was nominated for 13 regional Emmys in 2005 and took home eight—more than any other broadcaster in Maryland or public broadcaster in the Capital Region.

In addition, **Primetime PBS** public affairs, documentary and cultural programming continue to receive national acclaim. While other networks scramble for advertisers, MPT and PBS continue to present the highest quality primetime programming including important and captivating editions of **American Experience**, **NOVA**, **Frontline and Masterpiece Theatre.** Whether tackling enigmatic cultural icons like Bob Dylan or investigating global warming, MPT's primetime schedule has the power to engage and delight both young and old alike.

Nationally, a 2005 Roper poll found **public television remains the most trusted public service institution in America**. The same poll revealed Americans find public television to be the second-best use of their tax dollar trailing only national defense in value.

Beyond broadcast, MPT continues to innovate through new technologies and platforms. In 2005, MPT was awarded a \$15 million grant from the U.S. Department of Education to create a series of digital learning games and simulations. The initiative, "Learning Games to Go," will be designed to improve math instruction and student achievement at the pre-algebra level while simultaneously improving students' vocabulary and reading comprehension skills. The grant will be distributed over five years and comes to MPT through the department's Star Schools Program. This federal funding means more resources and more jobs for Maryland.

The \$15 million grant builds upon a previous \$10 million Star Schools grant that created MPT's award-winning *Thinkport.org*, a dynamic K-12 educational supersite. *Thinkport* will serve as the online access point to games and simulations developed under this grant. With project partners Johns Hopkins University and the Massachusetts Institute of Technology, MPT will build content for emerging mobile technologies, such as hand-held devices.

Created in 2003, *Thinkport* logged a total 1 million page views in its first year. Today, *Thinkport's* electronic field trips, lesson plans, and content for families draw 1.4 million page views *per month*. The site also earned an international Webby award for excellence.

In summary, MPT, through its strong local and national programming, its outreach, and educational platforms, provides a unique service valued by communities throughout Maryland. Together, we can take pride in the valuable contributions MPT makes to our state.

I look forward to working with you in 2006 to build on these and other MPT successes. Thank you for your ongoing commitment to our communities and their local public television network.

(end)

### Response to Legislative Budget Analysis

# 1. "MPT is asked to address how a longer-term trend toward decreased viewership and a decreased number of Emmy nominations can be overcome given these constraints (flat spending, flat pledge drives and membership)."

Television viewership, of both commercial and public stations, has decreased since 2001. We are now experiencing a leveling of that decrease (as indicated in Exhibit 4) and anticipate viewership to remain relatively constant.

While viewership is an important measurement, MPT is focused primarily on bringing the citizens of Maryland programs that are important to their lives and communities.

This year MPT earned more Emmy awards than any other Maryland broadcaster. We look forward to earning more awards, but since those decisions rest in the hands of others, it is very difficult to predict with certainty how many Emmys we will earn in any given year.

## 2. "MPBC is asked to comment on the impact of recent catastrophic events on charitable giving to public television, in particular on MPT's revenue stream."

Virtually all donor-supported organizations have been handicapped by natural disasters in the U.S. and around the world; MPT is no exception.

We have experienced a downturn in response to our coordinated mail program and we are implementing a plan to respond to this challenge.

## 3. "MPT is asked to discuss future plans to generate individual member support as well as corporate support."

MPT is reinvesting in the mail – last year's growth came directly from lapsed member recovery mailings. We also have added an in-house telephone fundraising unit and are building a program for online giving. We are holding at four pledge drives but increasing minutes within those drives and extending the drives to digital channels to the extent possible.

From a corporate support perspective, MPT is working to position itself as a philanthropic opportunity. MPT's standing as a valued and trusted institution known for overarching quality places us above the fray of the very fragmented commercial media environment. We are focusing our efforts on CEOs and public television supporters inside corporations when possible and bypassing marketing departments and advertising agencies. We are targeting larger companies with the capacity to make more significant investments. By concentrating on larger average grant size and higher renewal rates, we believe we can put corporate support on a growth track.

## 4. "Despite the longer term trend toward decreased membership and Emmy nominations, MPT expects to maintain or even improve its performance in fiscal 2007."

The downward trend was nearly halted by the end of 2004. We realized growth by the end of 2005 and forecast incremental growth by the end of 2006. 2005-2006 are characterized by an array of new initiatives (e.g., vehicle donations, benefit concerts, online auctions, online pledging and in-house phone fundraising, etc.). We anticipate one or more of these initiatives to blossom and help sustain incremental growth in the next few years.